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STATE FOR WHA/CCA AND WHA/CAR SOUTHCOM ALSO FOR POLAD

E.O. 12958: DECL: 11/29/2017

TAGS: ETRD ETTC PREL PINR PGOV CU BB XL

SUBJECT: BARBADOS: SUSPENSION OF TITLE III OF THE LIBERTAD

ACT

**REF: STATE 158768** 

Classified By: Ambassador Mary Ourisman for reasons 1.4(b) and (d).

#### Summary

11. (C) Barbados and Cuba enjoy a close relationship. As head of CARICOM this year, Barbados has publicly declared CARICOM's commitment to deepening their relationship further through increased bilateral collaboration and exchange in a number of areas such as sports, health, education, agriculture, transportation, disaster mitigation, tourism, and science and technology. Barbados has also stepped up its rhetoric against USG policy toward human rights and democracy in Cuba within the last year, describing it as international interference and a violation of sovereignty. End Summary.

# Nature of Investments

12. (C) The Canadian energy company Sherritt (www.sherritt.com) continues to operate two offshore companies in Barbados that it uses as a platform for investments in Cuba. The significant tax savings Canadian companies enjoy in Barbados, coupled with Barbados' tax and investment treaties with Cuba, mean there may be other Canadian companies using offshore subsidiaries in Barbados to enter the Cuban market.

Bilateral Trade Agreements

13. (C) The only known trade agreements between Barbados and Cuba was a bilateral trade agreement "for the promotion and protection of investments," signed in February 2006. The objective of the agreement is to encourage reciprocal protections and stimulate capital investment, business development and economic prosperity. Barbados also ratified a trade agreement between CARICOM and Cuba with similar objectives, which was incorporated into Barbados' domestic legislation in April 2006. In July 1999, Barbados concluded a tax convention with Cuba to prevent double taxation and fiscal evasion with respect to income taxation.

Exchange Programs

 $\P4$ . (U) Barbados has been the recipient of Cuban scholarships and Cuban-paid medical travel for Barbadians in need of eye

surgery via the "Operacion Milagro" program. There is no wide-scale program to utilize Cuban doctors in the local health care system. However, the Barbados-Cuba Joint Commission agreed in December 2006 to examine the issue of accreditation of Barbadian medical graduates of Cuban universities. In addition, Barbados requested assistance from Cuba to provide specialized medical services for which there is no expertise in Barbados and for Barbadian medical professionals to access Cuban medical research and training institutions such as the Pedro Kouri Institute of Tropical Medicine. Barbados also requested Cuba's assistance to enhance its emergency response capacity for Cricket World Cup 12007.

15. (U) Barbados and Cuba intend to develop other exchange programs in the areas of sports development, primary education, sugar cane production technologies, disaster management, and the development of science and technology institutions in both countries. Barbados and Cuba also committed to exchange best practices in port security, passenger and cargo handling, and cruise ship management.

## Democracy and Human Rights Promotion

16. (C) Barbados has done nothing to advance democracy and human rights in Cuba, but has instead shown solidarity with Cuba in international fora, particularly on matters related to the U.S. embargo. Barbados regularly votes to support pro-Cuba resolutions in the United Nations and almost never criticizes the Castro regime on its human rights record. Barbados Prime Minister Owen Arthur holds "The Order of Jose Marti of Cuba," Cuba's highest award for foreign heads of state and government.

## High-Level Visits

17. (C) There have been no high-level diplomatic visits between Cuba and host country in the past six months. In the past, however, Fidel Castro visited Barbados to participate in memorial ceremonies related to the 1976 Cuban airliner explosion. (Note: In April 2007, three Pro-Cuban Barbadian community organizations—The July 26 Movement, Cuban Barbadian Friendship Association, and Cuban Five Justice Committee—wrote President Bush to protest the release of Luis Posada Carriles and demand his immediate extradition to Venezuela. The three organizations also condemned the handling of the Posada Carriles case as "USA support foothe terrorist act against the Government and People of the Republic of Cuba." These Cuba-friendly organizations do not appear to have a strong influence over the Barbados government, but do generate significant press coverage on every anniversary of the airline disaster. End Note.)

### Comment

19. (C) Barbados and Cuba have had solid diplomatic relations for over thirty years and consider each other "Caribbean brothers." In addition, Barbados' recent U.N. voting record on human rights and democracy indicates that Barbados does not support democracy and human rights in Cuba, where it is in Barbados' economic and political best interests to consistently turn a blind eye.

HOWARD